



## CITY OF DURHAM | NORTH CAROLINA

**Date:** July 17, 2012

**To:** Thomas J. Bonfield, City Manager  
**Through:** Keith Chadwell, Deputy City Manager  
**From:** Reginald J. Johnson, Interim Director  
Department of Community Development  
**Subject:** Public Hearing on and Approval of Draft 2012 Analysis  
of Impediments to Fair Housing Choice (AI)

### **Executive Summary**

The Housing and Community Development Act of 1974, as amended, is the dominant statute for the Community Development Block Grant (CDBG) program. It requires that each federal grantee certify to HUD's satisfaction that 1) the awarded grant will be carried out and administered according to the Fair Housing Act, and 2) the grantee will work diligently to affirmatively further fair housing. This certification requires the completion of an Analysis of Impediments to Fair Housing Choice (AI). The purpose of this public hearing is to receive citizen comments on the Draft 2012 AI.

### **Recommendation**

The Department of Community Development recommends that the City Council hold a public hearing on August 20, 2012 to receive citizen comments on the Draft 2012 Analysis of Impediment to Fair Housing Choice and approve the Draft 2012 Analysis of Impediments for submission to the U.S. Department of Housing and Urban Development (HUD).

### **Background**

As a recipient of federal funding and in compliance with HUD regulation 24 CFR 91.225, the City of Durham is required to conduct an AI every five years in coordination with the Consolidated Planning Process. Impediments to Fair Housing Choice are defined as any actions, omissions, or decisions which have the effect of restricting

housing choices or the availability of housing choice on the basis of the seven protected classes under the Fair Housing law, which are race color, religion, sex, disability, familial status or national origin.

The AI is a review of a jurisdiction's laws, regulations and administrative policies, procedures and practices affecting the location , availability and accessibility of housing, as well as an assessment of conditions, both public and private, affecting fair housing choice.

The City issued a Request for Proposal for an agency to conduct a detailed AI and Urban Design Ventures, LLC (UDV) of Homestead, Pennsylvania was selected. During the development of the AI, UDV conducted meetings and interviews with local organizations and city staff. UDV has completed the Draft AI and has identified eight Impediments to Fair Housing Choice. Also included in the AI is the City's plan of action for addressing the impediments during the next five years. The eight impediments are described follows:

1. Lack of Affordable Rental Housing Units- The cost of rent for apartments has increased to the point that almost half of all households with incomes less than 50% of the median income are cost overburdened.
2. Lack of Affordable Housing Units for Sale- The cost to purchase a single family home has increased significantly outside areas of low/mod income concentration, limiting the choice of housing for lower income households.
3. Areas of Concentration of Minorities-There are areas in the central and eastern sections of the City where the minority population is more than 70% of the area's population.
4. Fair Housing Education and Outreach- There is a continuing need to educate persons about their rights under the Fair Housing Act and raise awareness of fair housing choice.
5. Fair Housing Logo and Disclaimer Clause – The Fair Housing logo and disclaimer clause are not uniformly used in advertisements of housing publications.
6. Accessible Housing-There is a lack of accessible housing that is decent, safe, sound, sanitary, and affordable to persons with disabilities.

7. Public Policies and Regulations – The City-County Unified Development Ordinance (UDO) appears to be restrictive in regard to the development of multi-family housing, group living, supportive care housing, and does not contain references to the Federal Fair Housing Act, Section 504, Americans with Disabilities Act, etc. Additionally, the City’s “Subsidized Housing Location Policy” needs to be revised.
8. Private Lending Practices- The Home Mortgage Disclosure Act (HMDA) suggests that there is a disparity between the approval rates of home mortgage loans that are originated from white and minority applicants.

The AI will serve as the substantive, local basis of Fair Housing planning and provide essential and detailed information to policy makers, administrative staff, housing providers, lenders and fair housing advocates to determine barriers to fair housing choice and the actions for addressing them. Although HUD does not directly approve the AI, its submission is a required component of the Durham’s Consolidated Plan’s performance reporting for receiving grant formula funds.

### **Issues/Analysis**

The City of Durham 2010-2015 Consolidated Plan was submitted to HUD in May 2010 and was subsequently approved. The Fair Housing component of the Consolidated Plan provided a brief summary of fair housing efforts and the Consolidated Annual Performance Evaluation Report (CAPER) indicated that an update to Durham’s 2006 AI would be performed.

In order to inform citizens of the upcoming public hearing and public review of the Draft AI, notices will be published in the *Herald-Sun* and the *Carolina Times*.

### **Alternatives**

The only flexibility that the City has is in determining the date for the public hearing and the date for submission to HUD.

### **Financial Impact**

Failure to have and follow a policy designed to affirmatively further fair housing choice places a jurisdiction in violation of HUD mandates for the Consolidated Plan funding and will jeopardize receipt of future funding.

### **SDBE Summary**

Not applicable to this item.